



**Washington State
Department of Transportation**
Douglas B. MacDonald
Secretary of Transportation

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Mayor Kordonowy and City Councilmembers
City of Bainbridge Island
280 Madison Avenue North
Bainbridge Island, WA 98110-1812

Dear Mayor and City Councilmembers:

Responding to your June 28th letter, we want to be clear why the ferry system is repairing and making permanent improvements to the maintenance facility at Eagle Harbor and why the state is contesting your challenge to our SEPA determination.

We believe that our position serves the interests of ferry customers and state taxpayers. The ferry system needs to apply every available dollar to the pressing needs of operations and the preservation and improvement of terminals and vessels. Courses of action for the maintenance facility that are inconsistent with the economy and cost-effectiveness of the ferry system are simply not open to us.

Study of the ferry maintenance program and the facility showed that moving the maintenance facility away from Eagle Harbor would diminish efficiency and add cost. We reached this conclusion after reviewing relocation possibilities to either Terminal 91 or Todd Shipyards in Seattle. Ferry observers and members of the state legislature know these conclusions. A summary is attached.

A program to modernize and improve the efficiency of the maintenance facility is therefore essential. Its groundwork has already been laid by the ferry system and endorsed by the state legislature. The first project, to make slip B a drive-on facility, is complete.

The next project, to make dock repairs and rehabilitate the existing maintenance building, has been funded by the legislature and the legislature expected the work to begin this summer. A Determination of Non-Significance under SEPA was issued by WSF in March 2006. This project is now delayed because of the City of Bainbridge Island's challenge to the Determination of Non-Significance. In addition to challenging the SEPA determination already made, the City has also asserted that it should be the *lead agency* for an expanded SEPA review of work at an essential state facility.

Part of the future project, an initial build-out of the maintenance building annex, has been funded by the legislature and was scheduled by the legislature for the next biennium. However, the second part of this project (permanent storage and training facilities) has *not yet been funded* by the legislature. Therefore, this work remains indefinite as to scope and schedule and is not ripe for SEPA review.

In addition to the differences in the timing of funding for these separate projects, these are all projects that the ferry system can utilize individually; they are not dependent on one another for their usefulness. Thus, WSDOT, the agency with the greatest familiarity with how this facility and these projects will function, has determined that this is the most logical sequence in which both to design and build these projects as well as to analyze their environmental impacts.

Meanwhile, delays are mounting and costs are escalating for the work that the legislature has already directed. This is not in the best interest of either taxpayers or ferry patrons. We must try our best to press ahead according to the legislative direction and the importance of the pending projects.

We have worked for years with the City of Bainbridge Island on ways that ferry system activities can best be accommodated to local community interests – especially the neighborhood's evolving commercial and residential character as one of Puget Sound's most attractive communities.

In our discussions regarding the maintenance facility, for example, we proposed solutions to the City's concerns about parking and storage on the site as part of a greater discussion on the ferry system's operational needs at Eagle Harbor. As for the ferry terminal itself, there are exciting prospects for a constructive partnership with the City and community on the badly-needed new facility.

There is no little irony that lively Bainbridge Island draws so much of its strength and character from its convenient link to downtown Seattle by the Bainbridge-Seattle ferry service. This simply underscores the importance that we move programs forward at Eagle Harbor to support the reliability and cost-effectiveness of the ferry system for all the customers we serve.

Shipbuilding and vessel maintenance have been performed at the site of the Eagle Harbor maintenance facility since 1902. The ferry system has used this site for system maintenance since the 1960s. We do not agree that an appropriate goal for the community is to "reclaim" working waterfront from its historic use as a shipyard and its long-standing current use to support ferry service throughout its routes and for all the communities that depend upon the ferry system.

We would like to continue constructive discussions about opportunities for ferry system improvements at Bainbridge Island. We seek to do so, however, with a mutual recognition of our responsibilities to protect system-wide efficiencies and costs and to preserve the appropriate role for the state when an essential facility is located in an individual community.

Very truly yours,



Douglas B. MacDonald
Secretary of Transportation



W. Michael Andersom
Executive Director
Washington State Ferries

Attachment: EHMF Decision Summary
Aerial of WSF Facilities

CC:

Senator Phil Rockefeller	Representative Ed Murray
Representative Sherry Appleton	Senator Mary Margaret Haugen
Representative Beverly Woods	Senator Brad Benson
Congressman Jay Inslee	Mike Groesch, Senate Transportation Committee Coordinator
Commissioner Chris Endresen	Beth Redfield, House Transportation Committee Coordinator
Mayor Kathryn Quade, Poulsbo	Mr. Charles Schmid, ABC
Honorable Leonard Forsman	Mr. Merrill Robison, ROW
Mr. Richard Hayes, Kitsap Transit	Ms. Rachel Smith, BICC
Ms. Barbara Ritchie, DOE	Mr. Doug Crist, Bainbridge Review
Mr. Jim Campbell, Kitsap Sun	Ms. Althea Paulson, Bainbridge Buzz